case under consideration, then, the creditor or stockholder sues on a purely legal demand. He sues on such demand in behalf of the corporation, and the cause of action belongs to it. The equitable remedy is merely a mode of enforcing this demand. Here certainly is no technical trust, and it is only in the case of such a trust that the bar of the statute of limitations is properly suspended. *Mason* v. *Henry* (1897) 152 N. Y. 529; *Wallace* v. *Lincoln's Savings Bank* (1890) 89 Tenn. 630; *Landes* v. *Saxon* (1895) 105 Mo. 486; *Kane* v. *Bloodgood* (1825) 7 Johns. Ch. 90.

RIGHTS OF PLEDGEES OF PERSONAL PROPERTY UNDER CONFLICTING LAWS.—Lord LOUGHBOROUGH, in 1791, laid it down as a "clear proposition, not only of the law of England, but of every country in the world, where law has the semblance of science, that personal property has no locality," and that, "with respect to the disposition of it, with respect to the transmission of it, either by succession or the act of the party, it follows the law of the person." *Sill* v. *Worswick* (1791) 1 H. Bl. 665. Since then there has been a constantly growing disposition to change that rule of law to meet radical changes in economic conditions, which have given to accumulations of personal property —until the last century of comparatively little consequence, and often actually *cum persona*—an even greater importance in the state than is attached to land. The new conditions have called for the recognition of the principle that, as transactions relating to realty are governed by the *lex situs*, similarly, transactions with respect to personalty should be governed by the *lex rei sitæ*, approving the doctrine developed on the continent and expounded by Savigny, that no distinction should be made in this respect between movables and immovables. Savigny, VIII, Sec. 366; Whart. Confl. L. p. 297, 305.

In the departure from the old rule, a distinction is drawn definitely between cases of succession, as in marriage, death and bankruptcy, where the property is conceived of as grouped round the person, and so governed by the law of the domicile, and isolated transactions of alienation and the creation of special claims against the property, in which it is to be considered independently of its owner, and so governed by the law where it is situated. Westl. Priv. International Law, p. 172. It will be noted that this distinction was not made by Lord LOUGHBOROUGH. Out of it comes a present rule that questions as to the transfer or acquisition of property in corporeal movables, or of any less extensive real rights in them, as pledge or lien, are generally to be decided by the *lex rei sitæ*. *Inglis* v. *Usherwood* (1801) 1 East, 515; *Coote* v. *Jeekes* (1872) L. R. 13 Eq. 597. The Supreme Court of Minnesota has adopted this view in denying a preference, under a voluntary assignment for the benefit of creditors, to non-resident pledgees, who held grain warehouse receipts as security for promissory notes, the grain being situated in Iowa, Nebraska and South Dakota, where such pledge was invalid, holding that the transaction was governed by the *lex rei sitæ*. *In re St. Paul & K. C. Grain Co.* (Minn. 1903) 94 N. W. 218.

It was early decided in the Supreme Court of the United States that, as to priority of conflicting liens, the *lex rei sitæ* prevails, the

right of priority being a "personal privilege, dependent on the place where the property lies and where the court sits which is to decide the cause." *Harrison* v. *Sterry* (1809) 5 Cranch, 289, 298. The rule has also been established that, in case of conflict between two states upon an assignment for the benefit of creditors, made in one state, and an attachment of the property of the assignor situated in the other state, the *lex rei sitæ* governs. The reason for this ruling is found partially in the full faith and credit clause of the Constitution. *Warner* v. *Jaffray* (1884) 96 N. Y. 248; *Green* v. *Van Buskirk* (1866) 5 Wall. 307. The decision in the latter case, however, unquestionably affirms the modern doctrine in cases where the courts of both states have been set in motion.

In the reasons which American judges have given for applying the *lex rei sitæ* to movables, the protection of citizens of their own states holds a prominent place, although, it must be admitted, little stress is laid on the fact of the domicile of the attaching creditor, and none at all in the United States courts. *Oliver* v. *Towns* (La. 1824) 2 Mart. 92; *Blake* v. *Williams* (1828) 6 Pick. 286; *Milne* v. *Moreton* (Pa. 1814) 6 Binn. 353; *Taylor* v. *Boardman* (1853) 25 Vt. 581, 589. It has been held squarely that a title to movables gained by foreign prescription cannot be unseated by the removal of the chattel to the state of the forum. *Waters* v. *Barton* (Tenn. 1860) 1 Cold. 43.

As applied to the principal case, there is much force in the suggestion made by Mr. Justice STORY (Confl. L. p. 537) of the injustice arising from the impracticability of the parties knowing, with minute accuracy, the law of transfers in the different states where the subject-matter of the transaction happens to be. But on the whole, there is ample reason for the view that the old legal fiction, expressed in the familiar maxim *mobilia personam sequuntur*, must give way to the modern fact that movables have a *situs*. The legal qualities incident to that *status* follow of necessity. See Whart. Confl. L. § 297 *et seq.*; Southern Law Rev. vol. VI, p. 689.